

COMMONWEALTH OF MASSACHUSETTS
DEPARTMENT OF TELECOMMUNICATIONS AND ENERGY

SECOND SET OF INFORMATION REQUESTS TO
KEYSPAN ENERGY DELIVERY NEW ENGLAND

D.T.E. 05-8

Respondent: Theodore Poe, Jr.

Information Request DTE 2-3

- Q. Please refer to page 6 of Exhibit EDA-1, under the third amendment to contract FCS027: (a) What potential dollar savings does the Company expect to realize from this amendment; and (b) How does the repositioning of these contract gas supplies support increased efficiencies in the Company's system?
- A. The original FCS027 contract listed the Essex Gas Company city gates as the sole delivery points for vapor and the Haverhill LNG facility (or facilities of another member of the Mansfield Consortium) as the sole delivery point for liquid. The third amendment to contract FCS027 between Essex Gas Company and Distrigas of Massachusetts added Section 1.4 permitting liquid LNG to be delivered to any LNG facility owned and operated by KeySpan Energy Delivery New England or to the KeySpan LNG, L.P. facility in Providence, RI. The third amendment also added the interconnection between the Distrigas facility and the Boston Gas Company distribution system as a secondary vapor delivery point. This amendment allows the Company the flexibility to receive vapor and liquid at multiple delivery points and it permits the Company to use the FCS027 contract at its highest possible load factor. This flexibility thereby lowers the per unit cost of the contract and the overall cost of gas to customers.